



DEPARTMENT OF THE NAVY
SPACE AND NAVAL WARFARE SYSTEMS COMMAND
WASHINGTON, D.C. 20363-5100

SPAWARINST 3960.4
SPAWAR 003
9 January 1990

SPAWAR INSTRUCTION 3960.4

From: Commander, Space and Naval Warfare Systems Command

Subj: FOREIGN WEAPONS EVALUATION (FWE) AND NATO COMPARATIVE TEST
(NCT) PROGRAMS

Ref: (a) OPNAVINST 3960.14
(b) DOD 5000.3-M-2
(c) SECNAVINST 3960.5

Encl: (1) Candidate Nomination Proposal (CNP) Format
(2) Quarterly Progress Report (QPR) Format and Sample of a
Financial Summary

1. Purpose Implement references (a) and (b), provide guidance, and assign responsibilities for planning, implementing, and managing subject programs within SPAWARSYSCOM.

2. Background

a. FWE/NCT programs are funded annually by an amendment to the DOD appropriations bill. The purpose of the FWE/NCT programs is to save time and cost in meeting military requirements by proving through test and evaluation that an existing article from an allied, neutral or NATO nation meets U.S. Department of Defense requirements. These programs differ in that only items of NATO origin also qualify for NCT funds and foreign technology projects are funded only under the FWE program. These funds cover test and evaluation of articles but not procurement for service use or research and development.

b. Foreign system components and equipment in these programs are non-developmental items acquired according to reference (c).

c. Reference (b) provides policy guidance and procedures to be used by all DOD components for submitting candidate projects for approval and funding.

3. Definitions

a. A foreign weapon is any system, subsystem, munition, or component manufactured by a friendly or neutral country which is available, or soon will be available, for procurement by the U.S. Government.

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b. Foreign technology is any technique, process, or other subset of a system architecture which can be applied to a U.S. system in development or production.

4. Responsibilities

a. Program Management and Coordination

(1) SPAWAR 003 serves as the single point-of-contact within SPAWARSYSCOM for managing and coordinating the FWE/NCT programs.

(2) SPAWAR 01 establishes policies and procedures to ensure that funds are obligated and expended in compliance with Navy and SPAWAR financial requirements.

(3) SPAWAR 02 provides procurement and contracting guidance to project managers and contracting specialists on procedures to be followed and points to consider in negotiating with foreign governments and companies.

(4) SPAWAR 00C provides statutory and regulatory guidance on requirements and provides legal assistance.

b. Project Planning and Management

(1) Approved projects will be managed by a SPAWAR program manager (PMW) or a SPAWAR activity Commander.

(2) Project technical direction and control will be the responsibility of an engineer designated by the cognizant PMW or SPAWAR center.

(3) Financial management of each approved project will be the responsibility of a financial manager in coordination with the project manager.

5. Policy

a. Acquisition Category. FWE and NCT programs are in the same category as standard U.S. Navy acquisition programs.

b. Signature Authority. The Commander (SPAWAR 00) will sign out correspondence submitting Candidate Nomination Proposals (CNPs), Quarterly Reports and Final Disposition Reports to CNO.

c. Nominations. PMWs and SPAWAR activities shall actively participate in FWE/NCT programs.

d. Liaison. Direct liaison with PMWs and SPAWAR activities and the OPNAV sponsors or SYSCOM offices for discussing potential FWE/NCT nominations is encouraged.

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e. Proposals

(1) CNPs, using the format provided in enclosure (1), may be submitted by SPAWAR activities or PMWs.

(2) The CNP originator shall recommend the warfare sponsor for the CNP, which SYSCOM headquarters has cognizance, which SYSCOM project manager will head the project, who should be named as the project engineer, and who would be the point-of-contact for Commander, Operational Test and Evaluation Force. The originator will name the recommended individuals in the draft CNP.

(3) CNPs for which SPAWAR has cognizance are to be submitted in smooth draft form to SPAWAR 003 for review, coordination, and forwarding to the warfare sponsor.

(4) CNPs prepared by SPAWAR activities on items for which another SYSCOM has technical or primary cognizance are to be submitted to that SYSCOM with a copy to SPAWAR 003.

(5) SPAWAR 003 will counsel any person in SPAWAR headquarters and SPAWAR activities who has a candidate and wants advice on how to proceed with a nomination.

d. Procurement for Service Use. An item that successfully completes test and evaluation in either the FWE or the NCT program cannot be excluded from full and open competition in the acquisition process nor procured on a sole source basis solely because it was proven to be acceptable during the FWE/NCT project.

6. Procedures

a. An Originator will:

(1) Identify a Candidate. Through knowledge of existing and emerging requirements for new weapons, technology, or munitions and of developments in foreign allied and neutral countries, identify a candidate that:

(a) has potential to satisfy an approved Operational Requirement;

(b) is in production, is operational, and has a proven record;

(c) offers a clear cost, schedule, or performance advantage over an existing U.S. system or equipment;

(d) provides an alternative to a comparable U.S. item in development, preferably one with a long-term initial operational capability (IOC); and

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(e) has low project costs with potential for high pay-off.

(2) Contact OPNAV Sponsor. Through informal liaison determine whether the OPNAV sponsor agrees there is an approved Operational Requirement, will support a recommendation to procure for service use should tests prove favorable, and, if possible, can identify contributing U.S. Navy funds.

(3) Draft CNP. Following the direction in references (a) and (b) and using enclosure (1), draft and submit a CNP to SPAWAR 003 or to the cognizant SYSCOM, copy to SPAWAR 003.

b. SPAWAR 003 will:

(1) Coordinate FWE/NCT programs within SPAWARSYSCOM, including the activities assigned to SPAWAR.

(2) Coordinate with OP-098F to ensure SPAWAR programs are managed and supported to best advantage.

(3) Review and, if necessary, edit draft CNPs and prepare correspondence forwarding the CNPs.

(4) Receive, review and forward quarterly progress reports on approved projects.

(5) Review annually all SPAWAR FWE/NCT ongoing projects for the following:

- valid Operational Requirement
- progress and schedule
- funding outlook, and
- eventual procurement potential

(6) Receive, review, and forward final test and evaluation reports and final project disposition reports for each approved project.

c. Project Managers will:

(1) Upon approval and funding of a project, acquire test articles, conduct tests and report in accordance with reference (a).

(2) Consult with the designated point-of-contact in SPAWAR 01 regarding project finances and with the cognizant purchase branch head in SPAWAR 02 regarding contractual matters, particularly those involving foreign firms.

(3) Keep SPAWAR 003 informed, particularly on relations with foreign governments, agencies, and contractors.

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(4) Submit quarterly progress reports and financial summaries to SPAWAR 003 ten days after the end of each quarter using the format of enclosure (2).

(5) If the project is to continue into the following fiscal year, submit an updated CNP to SPAWAR 003 by 1 May.

(6) Near the end of the project, work with the lead engineer and financial coordinator to submit to SPAWAR 003 the final test and evaluation report and the final project disposition report.

(7) Prepare and present semiannual program reviews of SPAWAR projects to OPNAV and DOD when required.

d. SPAWAR 01 will:

(1) Establish a point-of-contact for the financial matters relative to the FWE/NCT program.

(2) Establish financial policies and procedures to assure that funds are allocated and accounted for in accordance with Navy policy.

(3) Provide financial guidance to the Project Manager on FWE/NCT policy and procedures.

(4) Monitor the obligation and expenditure of FWE/NCT funds accepted by SPAWAR to assure that funds are used for the purpose provided.

(5) Maintain liaison with the financial managers in OP-098 and OSD(T&E) responsible for financing FWE/NCT projects.

(6) Periodically review active projects and recommend that the program manager return funds that will not be required.

e. SPAWAR 02 will:

(1) Designate an FWE/NCT contracting officer who is knowledgeable about FWE/NCT programs.

(2) Establish a point-of-contact for procurement and contracting matters in the FWE/NCT programs.

(3) Provide procurement and contracting guidance to FWE/NCT project managers for goods and services to be purchased from foreign governments and companies.

(4) Provide procedures to be followed in soliciting, inviting, and contracting in foreign countries for goods and services.

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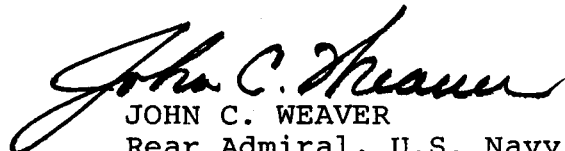
(5) Participate in acquisition planning with SPAWAR 003 and project managers to ensure timely award of contracts or modification to existing contracts.

7. Schedule

a. Draft CNPs will be submitted annually to SPAWAR 003 not later than 15 March.

b. SPAWAR 003 will ensure that all CNPs received by 15 March are forwarded to CNO by 1 April of each year.

c. CNPs may be submitted at any time during the year for an especially promising candidate. Such CNPs will be reviewed and promptly forwarded for consideration.


JOHN C. WEAVER
Rear Admiral, U.S. Navy

Distribution:

SNDL Part II:

FKQ (SPAWAR Activities)
FKQ3 (NAVELEXCEN and NAVELEXACT)
FKQ6 (Research & Development Activities)
FKR3 (RDT&E Activities)
PD Special List
SPAWAR OOC, 09H, 003, 003-1, 003-2, 004, 004-4, 004-5, 005,
01, 02, 30, 31, 32
PD 40, PMW 141, 142, 143, 144, 145, 146, 147
PD 50, PMW 151, 152, 153, 156, 159
PD 60, PMW 161, 162, 163
PD 70, 70-1, 70-2, 70-3, 70-4, 174
PD 80, PMW 181, 182, 183, 184, 185

Copy to:

A3 (CNO (OP-098F, OP-094, OP-095))
BIB (SECDEF (SD-11))
COMOPTEVFOR, Norfolk, VA
C81 (SPAWAR Detachments)
C84B (NAVMATDATASYSGRU)
FR10 (SPAWAR Reserve Units Only)
FKA1 (COMNAVAIRSYSCOM AIR 9303B only and COMNAVSEASYS COM 06C only)

Stocked: (25 copies)
SPAWAR 003

SAMPLE
CANDIDATE NOMINATION PROPOSAL (CNP) FORMAT

This CNP format should be used for both FWE and NATO nominees. The CNP should not exceed 3 single-spaced typed pages, excluding any attached background material. Briefly address all items. If information on a particular item is not applicable or not available, so indicate.

1. Project Background. Describe the foreign hardware/software/technology; intended military usage/value; operational utilization by sponsoring country and any other allies; foreign (government, service, or contractor) involvement and extent, if any, of sharing evaluation costs; and other U.S. Service interest/participation.
2. Requirement. Identify the current or projected requirement that could be satisfied by the system, equipment, or technology. Cite Operational Requirement (OR), Tentative Operational Requirement (TOR), or Required Operational Capability (ROC), providing title, number and date. Include in Section 10 (Attachments).
3. Project Goal(s). Specify the goal(s) of the evaluation. (Normally, this will simply be to determine if the candidate meets the specifications of the OR, TOR or ROC.)
4. Backup Information. Address the following:
 - a. For systems/equipment candidates: Whether the item is an alternative to the U.S. system in development or could offer a cost, schedule or performance advantage over an existing U.S. system/equipment; status of development relative to U.S. acquisition cycle milestones (e.g., past Milestone II) or whether system/equipment is in production; U.S. hardware which could, in whole, or part, satisfy the requirement; status of U.S. programs that could have relevance; the methods available to obtain equipment to be tested (e.g., loan, lease, procurement) and which is most feasible and cost effective; and the cost of each test article and the number required.
 - b. For technology evaluation candidates: Describe the contribution the project will make to the U.S. technology base and the specific arrangement under which the U.S. Government or U.S. industry would obtain the technology (e.g., government-to-government Memoranda of Agreement, private industry licensing agreement or cooperative technology exchange program).

Enclosure (1)

5. Procurement Potential. (Systems and equipment only) Provide a preliminary estimate of the quantity that would be procured for service use, assuming the evaluation is successful and a decision is made to include the foreign candidate in the procurement competition. Include program element, size of procurement, funds (APN, WPN, OPN) potentially available and years during which acquisition is programmed. State whether the foreign manufacturer has the capability and the desire to produce projected quantities and if there is a licensed U.S. manufacturer.

6. Test and Evaluation. (Three-part section)

Part I: Foreign T&E Data. Describe the type, quantity and availability of test and operational data generated by the foreign country/company.

Part II: T&E Description. Describe the type, methodology and duration of testing to be conducted. Indicate the activity(s)/location(s) where the testing will be performed. Include the required quantity of test articles, type of test (operational or developmental), test constraints and significant issues needing to be resolved.

Part III: Test and Evaluation Plan. A plan outlining the test program and evaluation to be conducted shall be submitted as a tab to the CNP. In the event the T&E Plan is not available at the time of CNP submittal, the date the plan will be provided should be indicated.

7. Test and Evaluation Schedule. Include applicable milestones in a format similar to that shown in the following example. Other milestones can be used, but each should be pertinent to the T&E process. Where applicable, indicate where these milestones interact with other development or acquisition programs.

SCHEDULE
(Complete Project)

MILESTONES	FY- 1Q 2Q 3Q 4Q	FY- 1Q 2Q 3Q 4Q	FY- 1Q 2Q
Project Initiation			
Contract (Transfer Agreement*) Signed			
Hardware Available			
Test Planning			
Evaluation Planning			
Test Site Selection			
Test Period			
Data Analysis/Evaluation			
**Results to CNO (OP-098)			
**Procurement Decision			
*Technology candidates only			
**Mandatory entries			

8. Budgetary Information. Provide a table showing funds required. Correlate funds requested with items shown in schedule contained in paragraph 7. See paragraph 5c of reference (a) for allowable items. Identify DON-provided funds needed for project execution to the same level of detail.

FUNDING REQUIREMENT (Complete Project)	FY-	FY-	FY-
	1Q 2Q 3Q 4Q	1Q 2Q 3Q 4Q	1Q 2Q
Test Article Procurement/ Lease/Loan (specify)			
Test Equipment/ Instrumentation			
Test Operations			
Data Reduction			
Support Costs			
Contractor Support			
Shipping			
Travel*			
Data Analysis and Evaluation			
TOTAL FWE/NATO CTP (by QTR)			
TOTAL DON (By QTR)			
Total (FY)			

*For travel costs, indicate on separate lines: Headquarters (staff monitor/project manager) and Field Activity travel.

9. Points-of-Contact. The following information is required to identify project management points-of-contact and execute timely transmittal of funding documents.

Name, complete mailing address, and office phone number of:

Project Sponsor's staff monitor (Office of the CNO/HQ Marine Corps)

Project Manager (Normally at SYSCOM HQ)

Lead Engineer (Normally at principal Field Activity)

Budget Analyst (For project accounting and MIPR processing. Normally within Project Office)

10. Attachments. Company brochures, summary of previous test reports, program briefings, photographs or other pertinent data should be attached, and the Test and Evaluation Plan is to be attached. In addition, if available, a copy of the OR/TOR/ROC should be appended.

FWE/NCT QUARTERLY PROGRESS REPORT FORMAT

PROJECT TITLE (indicate FWE or NCT)
Quarterly Progress Report for ___Qtr FY___

- A. COUNTRY OF ORIGIN: List all countries, if multinational.
- B. MANUFACTURER: Full name of company(s) and addresses.
- C. TYPE PROGRAM: e.g., AAW/ASW/ASUW/MINE WARFARE/etc.
- D. SYSTEM DESCRIPTION: Brief description of item(s) or technology being evaluated. Annotate if changed from CNP.
- E. PROJECT GOAL: Identify valid existing requirement (OR/TOR/ROC) and include current procurement for service use intentions.
- F. PROJECT SCHEDULE: If any changes to the T&E schedule, provide a milestone schedule similar to that in the CNP, showing both old and new milestone dates. Indicate schedule changes (slip, etc.).
- G. STATUS: Provide a brief description of testing conducted and results thus far. Explain any schedule change. Clearly identify any concerns that have a major impact on continuation or major delay of the evaluation. Discuss any successes and/or problems encountered and/or potential of meeting test objective on schedule. This paragraph (or two if required) should summarize all major T&E actions planned or conducted to date.
- H. KEY POINTS-OF-CONTACT:
- Project Manager: name, address, telephone number
- OPNAV Sponsor: name, address, telephone number
- Budget Analyst: name, address, telephone number

Enclosure (2)

SAMPLE
FWE/NCT QUARTERLY PROGRESS REPORT
FINANCIAL SUMMARY
-QTR FY-

a. MIPR DTAM 60155 FY86 PROJECT NAME (APPLIES TO FY86 PROGRAM FUNDING)

Financial Data Line:

N0002486Pd70003 1761804 8RZ3 000 S3P3 0 N68342 2D 000000 000450000030 Provided = \$199,303

Document Number	Activity	Contractor	Allocated	Committed	Obligated	Expended
N0002486WR70106	NCSC	N/A	\$ 50,000	\$	\$ 50,000	\$ 50,000
N6133185D0033	NCSC	Presearch	149,303		149,303	46,780
FY-86 Allocated in 86			\$ 199,303	\$	\$ 199,303	\$196,780

b. MIPR DTAM 60155 FY86 PROJECT NAME (APPLIES TO FY86 PROGRAM FUNDING)

Financial Data Line:

N0002487PD70002 1771804 8RE3 000 S3SP3 0 N68342 2D 000000 000020000030 Provided = \$1,298,697

Document Number	Activity	Contractor	Allocated	Committed	Obligated	Expended
N6133185D0033	NCSC	Presearch	\$ 94,818	\$	\$ 94,818	\$ 87,637*
N6133186D0004	NCSC	MAR	33,656		33,656	0*
N6133186D0004	NCSC	MAR	89,720		89,720	0*
N6817187C9675	NCSC	NRCO/Bae (MOU)	472,440		472,400	0*
N0002487WX70060	NCSC	N/A	275,563		275,563	206,067
N0002486WR70106	NCSC	N/A	330,000		330,000	1,256
N0002487T070006	NAVSEA	N/A	1,256		1,256	1,256
N0002487T07011	NAVSEA	N/A	1,284		1,284	1,284
FY-86 Allocated in 87			\$1,298,697	\$	\$1,298,697	\$636,244

*Contracts awarded late 4QFY87. Funds expended per contract schedule.

Total FY-86 Allocation

\$1,498,000 \$833,024

FY-86 Uncommitted - 0

SAMPLE (continued)
FWE/NCT QUARTERLY PROGRESS REPORT
FINANCIAL SUMMARY
-QTR FY-

c. MIPR DTAM 70154 FY87 PROJECT NAME (APPLIES TO FY87 PROGRAM FUNDING)

Financial Data Line:
N0002487PD70003 1771804 8RE3 000 S3P3 0 N68342 2D 000000 000450000030 Provided = \$535,000

Document Number	Activity	Contractor	Allocated	Committed	Obligated	Expended
N6817187C9675	NCSC	NRCO/BAe MOU	\$ 495,000	\$ -0-	\$ 117,600	\$ 0
N0002487WX70079	NCSC	N/A	40,000	-0-	40,000	38,290
FY-87 Allocated in 87			\$ 535,000		\$ 157,600	\$ 38,290

d. MIPR DTAM 70154 FY87 PROJECT NAME (APPLIES TO FY87 PROGRAM FUNDING)

Financial Data Line:
N0002488PD70003 1781804 8RE3 000 S38P3 0 N68342 2D 000000 000020000030 Provided = \$160,000

Document Number	Activity	Contractor	Allocated	Committed	Obligated	Expended
N0002488WX70008	NCSC	N/A	\$ 100,000	\$ 25,000	\$ 75,000	\$ 50,000
FY-87 Allocated in 88			100,000	25,000	75,000	50,000
Total FY-87 Allocation			\$ 635,000	\$ 25,000	\$ 232,600	\$ 88,290
			=====	=====	=====	=====

FY-87 Uncommitted - \$60,000

e. MIPR DTAM 80153 FY88 PROJECT NAME (APPLIES TO FY87 PROGRAM FUNDING)

Financial Data Line:
N0002488PD70006 1781804 8RE3 000 S3SP3 0 N68342 2D 000018 0000010 Provided = \$873,000

Document Number	Activity	Contractor	Allocated	Committed	Obligated	Expended
N0002488WX70077	NSCS	N/A	\$ 800,000	\$ 400,000	\$ 400,000	\$ 2,288
Total FY-88 Allocation			\$ 800,000	\$ 400,000	\$ 400,000	\$ 2,288
			=====	=====	=====	=====

FY-88 Uncommitted - \$73,000